REMARKS/ARGUMENTS

Applicant respectfully requests reconsideration and allowance of the application in view of the above amendment and the following remarks.

Applicant gratefully acknowledges the allowance of claims 8-22.

In response to the objection to figure 5 for not including method step labels, a "Replacement Sheet" for figure 5, including method step labels, accompanies this amendment.

In response to the rejection of claims 1-7 for being anticipated by US6357939 to Baron, applicant has amended claim 1 to include the same patentable feature identified as being the patentable feature contained in claim 8. Claim 1, as amended, is now allowable for reciting "wherein the image data is modified to embed a second position indicator in a second portion of the image based on the determined position of the electronic brush. Claims 2-6 are dependent on claim 1 and are allowable for at least the same reason as claim 1.

In addition, Applicants deny any statement, position or averment of the Examiner that is not specifically addressed by the foregoing argument and response. Any rejections and/or points of argument not addressed would appear to be moot in view of the presented remarks. However, the Applicants reserve the right to submit further arguments in support of the above stated position, should that become necessary. No arguments are waived and none of the Examiner's statements are conceded.

Applicants have made a diligent and sincere effort to place this application in condition for immediate allowance and notice to this effect is earnestly solicited.

Applicant may be reached by telephone at the number given below.

The Commissioner is hereby authorized to credit any overpayment or charge any fee (except the issue fee) including fees for any required extension of time, to Account No. 14-1270.

Respectfully submitted,

By /Michael E. Belk/ Michael E. Belk, Reg. 33,357 Senior Patent Attorney (914) 333-9643